
HOUSE BILL No. 1339

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-6-11; IC 9-31-3.

Synopsis: Boat and boating matters. Provides consistency in the number of days stated in the Code that a registered motorboat may be stored and not used on state waters before excise tax liability is incurred. Exempts nonresidents from boat excise tax for stored boats that are not operated, used, or docked in state waters. Exempts a nonresident's motorboat from registration if the motorboat is legally registered in another state. Changes the number and display method for boat dealer license plates.

Effective: July 1, 2002; January 1, 2003.

Pond, Lytle

January 15, 2002, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

HOUSE BILL No. 1339

A BILL FOR AN ACT to amend the Indiana Code concerning boat and boating matters.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-6-11-9 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JANUARY 1, 2003]: Sec. 9. A boat is exempt from the
3 boat excise tax imposed for a year if the boat is:
4 (1) owned by the United States;
5 (2) owned by the state or one (1) of its political subdivisions (as
6 defined in IC 36-1-2-13);
7 (3) owned by an organization exempt from federal income
8 taxation under 501(c)(3) of the Internal Revenue Code;
9 (4) a human powered vessel, as determined by the department of
10 natural resources;
11 (5) held by a boat manufacturer, distributor, or dealer for sale in
12 the ordinary course of business and subject to assessment under
13 IC 6-1.1;
14 (6) used by a person for the production of income and subject to
15 assessment under IC 6-1.1;
16 (7) **registered in Indiana and** stored in Indiana, for less than
17 ~~twenty-two (22)~~ **sixty (60)** consecutive days, ~~and but~~ not

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operated, used, or docked in Indiana;

(8) registered outside Indiana and:

(A) stored in Indiana but not operated, used, or docked in Indiana waters, except to facilitate storage; or

(B) operated, used, or docked in Indiana for a combined total of less than twenty-two (22) consecutive days during the boating year; or

(9) subject to the commercial vessel tonnage tax under IC 6-6-6.

SECTION 2. IC 6-6-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 10. (a) The amount of boat excise tax that a boat owner shall pay for a boating year is based on the boat's class and age.

(b) Motorized boats and sailboats are classified for excise tax purposes according to the value of the boat when the boat was new. The amount of excise tax for a boating year that is imposed for a motorized boat or a sailboat and owed by the boat owner is prescribed in the following table:

CLASS	MOTORIZED BOAT'S or SAILBOAT'S VALUE		TAX DUE
	WHEN NEW	LESS THAN	
	AT LEAST but		
1	\$ 0.01	\$ 500	\$ 2
2	500	1,000	6
3	1,000	1,500	20
4	1,500	2,000	30
5	2,000	3,000	42
6	3,000	5,000	55
7	5,000	7,500	70
8	7,500	10,000	88
9	10,000	15,000	110
10	15,000	22,500	150
11	22,500	35,000	200
12	35,000	50,000	275
13	50,000	75,000	375
14	75,000 or more		500

The bureau of motor vehicles shall adopt rules under IC 4-22-2 for determining the value of new boats. A tax paid under subsection (c) may be used as a credit against the taxes owed for the same boating year under this subsection.

(c) Notwithstanding subsection (b), the amount of excise tax imposed and owed by a boat owner is twelve dollars (\$12) for a motorized boat or a sailboat that is:

(1) registered in Indiana; and



(2) stored in Indiana for sixty (60) consecutive days or more but not operated, used, or docked in Indiana waters, except to facilitate storage of the boat.

SECTION 3. IC 6-6-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 14. (a) For a boat which has been acquired, or brought into Indiana, or for any other reason becomes subject to the excise tax after the regular annual tax payment date in the boating year on or before which the owner is required to pay the tax on boats under this chapter, the tax imposed by this chapter shall become due and payable no later than:

(1) the thirty-second day after the boat is operated in Indiana, if the boat is registered in Indiana; or

(2) the twenty-second consecutive day during the boating year that the boat is

~~(A) stored in Indiana; or~~

~~(B) operated, used, or docked in Indiana waters, if the boat is registered outside Indiana.~~

(b) The amount of excise tax to be paid by the owner for the remainder of the year shall be reduced by ten percent (10%) for each full calendar month which has elapsed since the regular annual tax payment date in the year fixed by the bureau of motor vehicles for tax payment by the owner.

SECTION 4. IC 6-6-11-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 25. A boat owner who operates, uses, docks, or stores a boat **that is subject to excise tax under this chapter** without paying the full amount of boat excise tax due under this chapter commits a Class C infraction.

SECTION 5. IC 9-31-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 2. (a) A motorboat does not have to be registered and numbered under this chapter if any of the following conditions are met:

(1) The motorboat is legally registered in another state and:

(A) the owner of the motorboat is a resident of Indiana and the motorboat has not been within Indiana for more than sixty (60) consecutive days; **or**

(B) the owner of the motorboat is not a resident of Indiana.

(2) The motorboat is from a country other than the United States temporarily using the waters of Indiana.

(3) The motorboat is a ship's lifeboat.

(4) The motorboat belongs to a class of boats that has been exempted from registration and numbering by the bureau after the bureau has found the following:



(A) That the registration and numbering of motorboats of that class will not materially aid in their identification.

(B) That an agency of the federal government has a numbering system applicable to the class of motorboats to which the motorboat in question belongs.

(C) That the motorboat would also be exempt from numbering if the motorboat were subject to the federal law.

(b) The following are prima facie evidence that a motorboat will be operated on the waters of Indiana for more than sixty (60) consecutive days and must be registered under subsection ~~(a)(1)~~: **(a)(1)(A)**:

(1) The rental or lease for more than sixty (60) consecutive days of a mooring facility that is located on the waters of Indiana for the motorboat.

(2) The purchase of a mooring facility that is located on the waters of Indiana for the motorboat.

(3) Any other contractual agreement that allows the use of a mooring facility that is located on the waters of Indiana for:

(A) the motorboat; and

(B) more than sixty (60) consecutive days.

SECTION 6. IC 9-31-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. A dealer licensed by the bureau under IC 9-31-4 may, upon application to the bureau, obtain a certificate of number for use in the testing or demonstrating of motorboats upon payment of the fee prescribed under IC 9-29-15-6 for each registration number. The bureau shall issue ~~two (2) plates~~ **one (1) plate** for each certificate of number assigned under this section. ~~One (1) plate must be displayed on each side of a boat that is being tested or demonstrated while the boat is being tested or demonstrated. This plate and the registration certificate must be available on the motorboat for inspection at all times that the motorboat is in operation.~~

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